

140 Main Street Annapolis, MD 21401 800 448 6782 410 263 6600

marylandeducators.org

## **Testimony in SUPPORT of House Bill 486** State Retirement and Pension System - Prorated Payment of Benefits on Death

## **House Appropriations Committee** February 22, 2022

## Samantha Zwerling **Government Relations**

The Maryland State Education Association supports House Bill 486, which requires that upon the death of a retiree or beneficiary of the State Retirement and Pension System, the beneficiary or estate are paid a prorated survivor benefit by the State Retirement and Pension System Board of Trustees.

MSEA represents 75,000 educators who work in Maryland's public schools, teaching and preparing our 896,837 students for careers and jobs of the future. MSEA also represents 39 local affiliates in every county across the state of Maryland, and our parent affiliate is the 3 million-member National Education Association (NEA).

Current law creates an unfair system where those who pass away in the first 15 days of the month are entitled to no benefit for the month that the death occurs, but those who pass away in the second half of the month receive the entire month's benefit. There should not be such a discrepancy for those who might pass on the 14th day as opposed to the 16th day. This bill eliminates the unfair systems and ensures that everyone's benefits are prorated.

This bill helps secure that retirees' designees are paid what they are entitles to, and that there is no penalty in benefits depending on which half of the month someone happens to pass away. This bill brings fairness to the system.

For those reasons, MSEA urges a favorable report on House Bill 486.